

HELM

FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111
415/398-4510 FAX 415/398-4816

July 27, 2001

Mr. Vernon Williams
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

RECORDATION NO. **20822-LL** FILED
AUG 3 '01 12-48 PM
TS
SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed are two (2) originals of the Memorandum of Schedule No. 26 to Master Lease Agreement dated as of May 10, 2001 between the following parties:

Lessor:	Helm Financial Corporation One Embarcadero Center, Suite 3700 San Francisco, CA 94111
Lessee:	Norfolk Southern Railway Company 110 Franklin Road, S.E. Roanoke, VA 24042-0072

Summary: Memorandum of Schedule No. 26 dated as of May 10, 2001 to the Master Lease Agreement dated as of July 15, 1996 between Helm Financial Corporation as Lessor and Norfolk Southern Railway Company as Lessee, covering 325 gondola railcars within the series NS 194270-194598 (NI) and NSHR 1191-1316 (NI).

Please file this Memorandum of Schedule No. 26 to the the Master Lease Agreement as a supplementary document to Recordation No. 20822 filed on August 18, 1997 and return one (1) stamped original to my attention. The filing fee of \$28.00 is enclosed.

Yours truly,



Sharon L. Van Fossan
Supervisor Contract Administration

/svf
Enclosures (2)

nsr011a26.stb



LMS 924-01

MEMORANDUM OF SCHEDULE NO. 26 TO
MASTER LEASE AGREEMENT

THIS MEMORANDUM OF SCHEDULE NO. 26 TO MASTER LEASE AGREEMENT ("Memorandum") is dated as of May 10, 2001 and is intended to evidence Schedule No. 26 dated as of May 10, 2001 ("Schedule 26") to that certain Master Lease Agreement dated as of July 15, 1996 ("Master Lease") between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and NORFOLK SOUTHERN RAILWAY COMPANY, a Delaware corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board of the Department of Transportation under Section 49 of U.S.C. 11301. The Master Lease was filed with the Surface Transportation Board under Recordation Number 20822 on August 18, 1997. Lessor has the right to lease the railcars, more fully described in Annex A attached hereto ("Units"). Lessee leased from Lessor the Units at the Rent and upon the terms and conditions provided in the Master Lease and Schedule 26.

The Master Lease and the Units cannot be assigned, subleased or in any way encumbered without the prior written consent of Lessor. Lessee has granted a security interest unto Lessor in and to any and all Payments, as such term is defined in the Master Lease, including, without limitation, any and all Rent and other Payments pursuant to any sublease of the Units. In the Event of Default, as such term is defined in the Master Lease, Lessee assigns any and all subleases to Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed by their duly authorized representative as of the day and year first above written.

LESSOR

LESSEE

HELM FINANCIAL CORPORATION

NORFOLK SOUTHERN RAILWAY COMPANY

By: Barbara Wilson

By: S. M. Reynolds

Name: Barbara W. Wilson

Name: S. M. REYNOLDS

Title: Senior Vice President and
Chief Financial Officer

Title: MANAGER - PURCHASING

RECORDATION NO. 20822-LL FILED

AUG 3 '01 12-48 PM

SURFACE TRANSPORTATION BOARD

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ANNEX A
TO MEMORANDUM OF SCHEDULE NO. 26 TO THE MASTER LEASE

Equipment Description:

Three hundred twenty-five (325), 100-ton, gondola railcars.

Reporting Mark & Number			Reporting Mark & Number			Reporting Mark & Number			Reporting Mark & Number		
1	NS	194270	49	NS	194320	97	NS	194370	145	NS	194418
2	NS	194271	50	NS	194321	98	NS	194371	146	NS	194419
3	NS	194272	51	NS	194322	99	NS	194372	147	NS	194420
4	NS	194273	52	NS	194324	100	NS	194373	148	NS	194421
5	NS	194274	53	NS	194325	101	NS	194374	149	NS	194422
6	NS	194275	54	NS	194327	102	NS	194375	150	NS	194423
7	NS	194276	55	NS	194328	103	NS	194376	151	NS	194424
8	NS	194277	56	NS	194329	104	NS	194377	152	NS	194425
9	NS	194278	57	NS	194330	105	NS	194378	153	NS	194426
10	NS	194279	58	NS	194331	106	NS	194379	154	NS	194427
11	NS	194280	59	NS	194332	107	NS	194380	155	NS	194428
12	NS	194281	60	NS	194333	108	NS	194381	156	NS	194429
13	NS	194282	61	NS	194334	109	NS	194382	157	NS	194430
14	NS	194283	62	NS	194335	110	NS	194383	158	NS	194431
15	NS	194284	63	NS	194336	111	NS	194384	159	NS	194432
16	NS	194285	64	NS	194337	112	NS	194385	160	NS	194433
17	NS	194286	65	NS	194338	113	NS	194386	161	NS	194434
18	NS	194287	66	NS	194339	114	NS	194387	162	NS	194435
19	NS	194288	67	NS	194340	115	NS	194388	163	NS	194436
20	NS	194289	68	NS	194341	116	NS	194389	164	NS	194437
21	NS	194290	69	NS	194342	117	NS	194390	165	NS	194438
22	NS	194291	70	NS	194343	118	NS	194391	166	NS	194439
23	NS	194292	71	NS	194344	119	NS	194392	167	NS	194440
24	NS	194293	72	NS	194345	120	NS	194393	168	NS	194441
25	NS	194294	73	NS	194346	121	NS	194394	169	NS	194442
26	NS	194295	74	NS	194347	122	NS	194395	170	NS	194443
27	NS	194296	75	NS	194348	123	NS	194396	171	NS	194444
28	NS	194297	76	NS	194349	124	NS	194397	172	NS	194445
29	NS	194298	77	NS	194350	125	NS	194398	173	NS	194446
30	NS	194299	78	NS	194351	126	NS	194399	174	NS	194447
31	NS	194300	79	NS	194352	127	NS	194400	175	NS	194448
32	NS	194301	80	NS	194353	128	NS	194401	176	NS	194449
33	NS	194302	81	NS	194354	129	NS	194402	177	NS	194450
34	NS	194303	82	NS	194355	130	NS	194403	178	NS	194451
35	NS	194304	83	NS	194356	131	NS	194404	179	NS	194452
36	NS	194306	84	NS	194357	132	NS	194405	180	NS	194453
37	NS	194307	85	NS	194358	133	NS	194406	181	NS	194454
38	NS	194308	86	NS	194359	134	NS	194407	182	NS	194455
39	NS	194309	87	NS	194360	135	NS	194408	183	NS	194456
40	NS	194310	88	NS	194361	136	NS	194409	184	NS	194457
41	NS	194311	89	NS	194362	137	NS	194410	185	NS	194458
42	NS	194312	90	NS	194363	138	NS	194411	186	NS	194459
43	NS	194313	91	NS	194364	139	NS	194412	187	NS	194460
44	NS	194314	92	NS	194365	140	NS	194413	188	NS	194461
45	NS	194315	93	NS	194366	141	NS	194414	189	NS	194462
46	NS	194317	94	NS	194367	142	NS	194415	190	NS	194463
47	NS	194318	95	NS	194368	143	NS	194416	191	NS	194464
48	NS	194319	96	NS	194369	144	NS	194417	192	NS	194465

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ANNEX A - Continued

Reporting Mark & Number			Reporting Mark & Number			Reporting Mark & Number			Reporting Mark & Number		
193	NS	194466	227	NS	194500	261	NS	194534	295	NS	194568
194	NS	194467	228	NS	194501	262	NS	194535	296	NS	194569
195	NS	194468	229	NS	194502	263	NS	194536	297	NS	194570
196	NS	194469	230	NS	194503	264	NS	194537	298	NS	194571
197	NS	194470	231	NS	194504	265	NS	194538	299	NS	194572
198	NS	194471	232	NS	194505	266	NS	194539	300	NS	194573
199	NS	194472	233	NS	194506	267	NS	194540	301	NS	194574
200	NS	194473	234	NS	194507	268	NS	194541	302	NS	194575
201	NS	194474	235	NS	194508	269	NS	194542	303	NS	194576
202	NS	194475	236	NS	194509	270	NS	194543	304	NS	194577
203	NS	194476	237	NS	194510	271	NS	194544	305	NS	194578
204	NS	194477	238	NS	194511	272	NS	194545	306	NS	194581
205	NS	194478	239	NS	194512	273	NS	194546	307	NS	194582
206	NS	194479	240	NS	194513	274	NS	194547	308	NS	194583
207	NS	194480	241	NS	194514	275	NS	194548	309	NS	194585
208	NS	194481	242	NS	194515	276	NS	194549	310	NS	194586
209	NS	194482	243	NS	194516	277	NS	194550	311	NS	194588
210	NS	194483	244	NS	194517	278	NS	194551	312	NS	194589
211	NS	194484	245	NS	194518	279	NS	194552	313	NS	194590
212	NS	194485	246	NS	194519	280	NS	194553	314	NS	194591
213	NS	194486	247	NS	194520	281	NS	194554	315	NS	194592
214	NS	194487	248	NS	194521	282	NS	194555	316	NS	194593
215	NS	194488	249	NS	194522	283	NS	194556	317	NS	194594
216	NS	194489	250	NS	194523	284	NS	194557	318	NS	194595
217	NS	194490	251	NS	194524	285	NS	194558	319	NS	194596
218	NS	194491	252	NS	194525	286	NS	194559	320	NS	194597
219	NS	194492	253	NS	194526	287	NS	194560	321	NS	194598
220	NS	194493	254	NS	194527	288	NS	194561	322	NSHR	1191
221	NS	194494	255	NS	194528	289	NS	194562	323	NSHR	1258
222	NS	194495	256	NS	194529	290	NS	194563	324	NSHR	1293
223	NS	194496	257	NS	194530	291	NS	194564	325	NSHR	1316
224	NS	194497	258	NS	194531	292	NS	194565			
225	NS	194498	259	NS	194532	293	NS	194566			
226	NS	194499	260	NS	194533	294	NS	194567			

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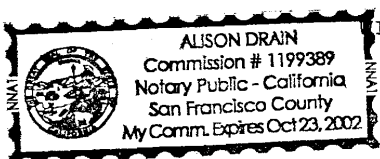
STATE OF CALIFORNIA)
) S.S.
COUNTY OF SAN FRANCISCO)

On May 18th, 2001, before me, Alison Drain, personally
appeared Barbara W. Wilson, Senior Vice President and Chief Financial Officer
of HELM FINANCIAL CORPORATION,

☒ personally known to me -OR-

___ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument.



WITNESS my hand and official seal.

Alison Drain
SIGNATURE OF THE NOTARY

[Notarial Seal]

COMMONWEALTH OF VIRGINIA)
) S.S.
COUNTY OF ROANOKE)

On May 30th, 2001, before me, Freda P. Hubert, personally
appeared S.M. Reynolds, MANAGER - Purchasing of NORFOLK SOUTHERN
RAILWAY COMPANY,

☒ personally known to me -OR-

___ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument.

WITNESS my hand and official seal.

Freda P. Hubert
SIGNATURE OF THE NOTARY

[Notarial Seal]

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